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Cultural Values, Sources of Guidance, and their Relevance to Managerial Behavior : A 47-Nation Study

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Data are presented showing how middle managers in 47 countries report handling eight specific work events. The data are used to test the ability of cultural value dimensions derived from the work of Hofstede, Trompenaars, and Schwartz to predict the specific sources of guidance on which managers rely. Focusing on sources of guidance is expected to provide a more precise basis than do generalized measures of values for understanding the behaviors that prevail within different cultures. Values are strongly predictive of reliance on those sources of guidance that are relevant to vertical relationships within organizations. However, values are less successful in predicting reliance on peers and on more tacit sources of guidance. Explaining national differences in these neglected aspects of organizational processes will require greater sensitivity to the culture-specific contexts within which they occur.

CULTURAL VALUES, SOURCES OF GUIDANCE, AND THEIR RELEVANCE TO MANAGERIAL BEHAVIOR

A 47-Nation Study

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A notable source of progress in cross-cultural psychology over the past two decades has been the development of a broadly shared framework that conceptualizes the values that underlie the functioning of cultural units as a key to understanding other cultural differences. Studies within this framework have focused particularly on contrasts between cultures in

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which individualist or autonomous values are dominant and cultures in which collectivist or hierarchical and embeddedness values are prevalent, together with their associated sets of self-concepts and behaviors. Additional value dimensions with potential for illuminating cultural difference have until recently proved less influential (Smith & Schwartz, 1997).

Some theorists conceptualize culture as defined by shared meanings assigned by culture members to things and persons around them. A definition of this type would include Hofstede's (1980) much-cited phrase, the "collective programming of the mind." Others assert that culture entails not just shared interpretations of behaviors but also actual differences in behavior. For instance, Herskovits (1948) favored the much broader conceptualization captured by the phrase "the man-made part of the environment." The attraction of values as the basis for conceptualizing culture is that they can be expressed in a decontextualized manner. Respondents can be asked to report their values without the need to specify what actions might be entailed by adherence to these values given particular circumstances. Individual reports of values can then be used as indirect indicators of the cultural values that prevail across the many contexts to which people are exposed in their life within a society (Schwartz, 1999). In contrast, behaviors are always enacted within a defined context, and this context will help to define one of various possible meanings to those who are active in that context. The contextualized quality of behaviors poses problems for anyone who wants to draw practical implications from characterizations of cultures in terms of values. To see why particular behaviors prevail in a given culture, we need to understand better how generalized values are linked to specific actions.

This article tests the proposition that prevailing values lead culture members in organizations to rely on particular sources of guidance in making sense of what happens around them. Sources of guidance are more contextualized than are values, but they are less contextualized than specific behaviors. We assume, but do not directly test, a second proposition, which is that reliance on particular sources of guidance will influence the types of actual behavior that then occur. To illustrate this line of reasoning, we can expect that in a culture where hierarchical values are endorsed, many organizational employees will consult their superiors frequently. The actual behaviors found within organizations in such a culture will probably reflect both prevailing values and the frequency of consulting one's boss. However, consultation with the boss is likely to be more strongly predictive than prevailing values, because there is a closer and more contextualized linkage between consulting the boss and specific behaviors than there is between abstract values and behavior. We next consider and evaluate existing studies that have tested for direct linkages between values and behavior without reference to intervening constructs such as sources of guidance.

VALUE-BEHAVIOR LINKAGES

Researchers have quite frequently tested culture-level associations between value dimensions and behaviors. For instance, Hofstede (2001) reviewed several hundred studies that have shown significant links between one or another of his four (now five) dimensions and the frequencies of various attitudes, values, and behaviors. However, there are two problems that serve to limit the strength of the conclusions that can be drawn from these studies. First, the number of cultures sampled is typically rather small. To yield results that are convincing, culture-level studies must include an adequately representative range of currently existing nations. The equation by many researchers of nation states with cultures is also likely to prove a rather crude simplification. Nonetheless, the major existing studies of cultural values do rely on this definition, and this study necessarily therefore does likewise. Among the 355

significant culture-level correlations that Hofstede (2001) reported between his measures of cultural values and culture-level indices from other published studies, just 27 drew on data from 30 or more nations. Among these 27 studies, the only ones that come near to sampling the frequency of specific behaviors are those that focused on student competitiveness, perceived frequency of corruption, and levels of political violence. Country-level studies that tap other dimensions of values in many nations also report few correlations with behavior frequencies (Sagiv & Schwartz, 2000; Smith, Dugan, & Trompenaars, 1996). Thus, there is a dearth of studies that adequately test systematic, theoretically grounded relations between cultural values and behaviors across a sample of cultures that is sufficiently broad as to include the major sources of global variation within modern societies.

The second problem has to do with defining and classifying behaviors when they are studied cross-culturally. A behavior that may be unambiguously defined in one social context may be defined quite differently in other cultures. For example, people in collectivist or embedded cultures are found to distinguish more sharply between behavior directed to in-group versus out-group members than do people in individualist or autonomous cultures (Smith & Bond, 1998). Among the business managers sampled in this study, work associates such as one's superior and subordinates are very likely to be seen as in-group members in all cultures, whereas those in less directly adjacent roles may not be. Most probably, they will be seen as in-group members in some cultures and out-group members in others. So the inclusion of data from many nations, each with its own social logic, is crucial to providing valid tests of linkages between values, sources of guidance, and behaviors.

At the same time, the prospects for successful tests of linkage between values and behavior will diminish as the number of cultures sampled increases. With more cultures included, it becomes more likely that the meanings of specific behaviors will vary. Although broadly defined behaviors such as leadership, participation, and teamwork are widely assumed to have equivalent meaning in different cultural contexts, individual-level studies cast doubt on this assumption. Within nations where more collectivist values prevail, meanings are found to be more contextualized. For instance, Erez and Earley (1987) showed that responses to Israeli leaders' use of group participation varied much more widely depending on the type of group involved than did responses to U.S. leaders'. Earley (1993) found that among managers in China and Israel but not the United States, in-group versus out-group status affected both the magnitude and the direction of social loafing effects. Misumi's (1985; Misumi & Peterson, 1985) extensive program of research into leadership in Japan was built around the notion that the best way to express universal functions of leadership depends on the specific organizational context in which the leader is operating. Sinha (1995) contrasted U.S. and Indian organizations. He argued that the former can maintain some separation between their distinctive organizational culture and their local environment. The latter are "embedded within their cultural milieu," so that Indian leaders are necessarily more context bound and reactive.

Until very recently, few non-American leadership studies have included more than a handful of nations (Dorfman, 1996). Studies with limited sampling cannot in themselves establish that leadership behavior is more context dependent in collectivist than in individualist cultures. Nonetheless, cumulatively, they do support the claim that leaders attend more to context in collectivist than in individualist cultures. Even among 22 nations within Europe, consistent differences in effective leader behaviors are found (Brodbeck, Frese, et al., 2000). Culture-general exploration of value-behavior linkages therefore requires measures that are relatively nonspecific. It is for this reason that the present project focuses on sources of guidance rather than on more specific behaviors.

EVENT MANAGEMENT

Our goal is thus to test whether culture-level differences in values can predict the typical sources of guidance on which managers rely in handling a series of what we call *work events*. A work event is an occurrence impinging on the awareness of an organization member (Peterson, 1998; Rentsch, 1990). All events require interpretation before a manager can determine the best way to handle them. The handling of many routine events is quickly or even nonconsciously determined through cognitive scripts or programmed decision processes. Other events require the manager's sustained and direct attention and complex interpretation. By this analysis, a central element in any manager's effectiveness is the ability to influence how the event is treated and thereby to shape the occurrence of future events.

In handling work events, managers operate within a context of alternative sources of guidance, many of which extend beyond the individual (Peterson & Smith, 2000; Smith & Peterson, 1988). For an individual manager, these can include interpretive structures such as memories, thoughts, and understandings to which new events can be connected. They can also include the viewpoints on events that a manager expects would be taken, for instance, by a boss, staff persons, a particular subordinate, or a friend. Furthermore, they can include viewpoints perceived to prevail in society in general, due to government, a particular religion, or traditional value systems. As well as drawing on these internalized representations, managers will interact with others and refer to documents to check what guidance these might offer.

Earlier studies explored self-reported reliance by managers in the United States, China, Hong Kong, Japan, and the United Kingdom on a variety of possible sources of guidance (Peterson, Elliott, Bliese, & Radford, 1996; Peterson, Smith, Misumi, & Bond, 1990; Smith, Peterson & Wang, 1996). The salience of 11 different sources that had arisen from discussions with colleagues in these and other nations was surveyed. Variations were found across countries and across event type. The specific sources used also predicted evaluated performance in different countries (Peterson, Radford, Savage, & Hama, 1994; Smith, Peterson, & Misumi, 1994). However, these studies sampled too few countries to discern which cultural values are associated with reliance on what sources.

These initial studies suggested that potential sources of guidance within an organization can be divided into three main categories: (a) the individual's own expertise, based on prior experience and training; (b) social sources—typically superiors, subordinates, specialists, and coworkers; and (c) impersonal sources—formal rules and informal or tacit organizational norms. In addition, (d) beliefs that are widespread in a nation as to what is right, such as those based on religion or ideology, may also prove influential. Organizations typically provide formal recognition of some of these sources by establishing supervisory relationships and by creating various sorts of work groups and teams in an attempt to encourage managers to use them. The eight sources indicated under headings (a) to (d) in this paragraph are the ones on which this study was focused. They were selected on the basis of prior literature (Peterson & Smith, 2000) and the expectation that they would be among the most frequent sources in a wide variety of cultural contexts. They combine the personal sources traditionally studied in role theory (Kahn, Wolfe, Quinn, Snoek, & Rosenthal, 1964) with other sources such as organizational norms and national rules and norms that are addressed within institutional theory in sociology (DiMaggio & Powell, 1991).

Possible relations between the sources of guidance discussed abstractly above and the values that may prevail in different cultures can be illustrated more concretely with reference

to one of the events used in this study. The event is the appointment of a new subordinate. We postulate that prevailing cultural values are expressed in and may influence managers' personal values, their role definitions, the expectations they perceive from others, the accepted practices they find in their organization, and so on (Sagiv & Schwartz, 2000; Schwartz, 1999). When managers go about appointing a subordinate, any and all of these factors may influence their handling of events, and it is through these factors that the prevailing cultural values have an impact on behavior.

Managers who opt to handle this event solely on the basis of their own experience and training may do so because they emphasize such values as independence and self-reliance, because they define their role as one in which they are supposed to be responsible for major decisions based on skills they have acquired, because they believe others expect them to demonstrate decisiveness, because this is how it is done in their organization, and so forth. Cultural values in the surrounding society that emphasize autonomy would provide socialization and support for this way of viewing and doing things. Managers who choose to consult other subordinates before making the appointment would likely do so because of a different set of personal values, role definitions, expectations, practices, and so on. The societal and organizational culture in which they are located is likely to emphasize collective responsibility more and to socialize and control people to value cooperation and team cohesion, trust of others, or even caution. These examples are merely illustrative: Reliance on any particular source in managing events may be influenced by many factors that reflect the encompassing culture and its values.

COUNTRY-LEVEL STUDIES

This study addresses differences between national cultures. Most psychological investigations are concerned with variations within populations of individuals, and the individualistic values that prevail within Western nations encourage the view that this is the most appropriate level of investigation. There are of course many variations in individual, team, and organizational behavior within any given national culture. The extent of these variations is greater in some national cultures than in others (Schwartz & Sagie, 2000). Nonetheless, each individual operates within a cultural environment in which certain values, norms, attitudes, and practices are more or less dominant and serve as shared sources of socialization and social control. The delineation of differences between national cultures can in this way provide a key step in determining the extent to which the findings of organizational psychologists in Western contexts are likely to prove valid in the globalized world of tomorrow. Thus, we are here concerned with the sources from which managers within a given nation most frequently seek guidance, in relation to the values most frequently endorsed within that nation.

Three studies have provided culture-level means for the values endorsed by organizational employees within 30 or more nations, and these are the ones used in this study. Because all studies that seek to document the values endorsed within numerous nations are vulnerable to sources of error due to differential sampling, translation inequivalence, and the passage of time, our strategy is to integrate the results of prior studies rather than differentiate them. We consider each in turn.

THE HOFSTEDÉ DIMENSIONS

Hofstede (1994, p. 5) defined his value dimensions thus:

Power distance is “the degree of inequality which the population of a country considers as normal.”
Uncertainty avoidance is “the degree to which people in a country prefer structured over unstructured situations.”

Individualism is “the degree to which people in a country prefer to act as individuals rather than as members of groups.”

Masculinity/femininity is “the degree to which values like assertiveness, performance, success and competition, which in nearly all societies are associated with the role of men, prevail over values like the quality of life, maintaining warm personal relationships, service, care for the weak and solidarity, which in nearly all societies are more associated with the role of women.”

These dimensions have provided a basis for many subsequent studies, although reviewers have noted likely limitations on the continuing validity of data collected within a single company nearly 30 years ago. Hofstede’s more recent adoption of a fifth dimension of values, *long-term orientation*, is not included in this study because the values data on which it is based are derived from students.

THE SCHWARTZ CULTURE-LEVEL DIMENSIONS

Schwartz (1994, 1999) has surveyed value preferences of some 60,000 individuals in 63 countries. Many countries provided two samples, secondary school teachers and students. Separate individual-level and country-level data analyses were conducted. The seven country-level value orientations he identified are the appropriate ones to use in the present, culture-level study.

Conservatism or *embeddedness* (the latter term is used in this article) emphasizes maintaining the status quo, propriety, and restraint of actions or inclinations that might disrupt the solidary group or the traditional order in which people are embedded.

Intellectual autonomy emphasizes the desirability of individuals’ pursuing their own ideas and intellectual directions independently.

Affective autonomy emphasizes the desirability of individuals’ pursuing affectively positive experience.

Hierarchy emphasizes the legitimacy of an unequal distribution of power, roles, and resources.

Egalitarianism emphasizes transcendence of selfish interests in favor of voluntary commitment to promoting the welfare of others.

Mastery emphasizes getting ahead through active self-assertion.

Harmony emphasizes fitting harmoniously into the environment.

Having first established that 45 values have similar meanings across the cultures sampled, Schwartz (1999) used multidimensional scaling of the country means for these values to validate these seven value types and identify national differences. He summarized his seven country-level value types as constituting three dimensions: *embeddedness versus autonomy*, *hierarchy versus egalitarianism*, and *mastery versus harmony*.

THE TROMPENAARS DATABANK

Trompenaars and Hampden-Turner (1998) surveyed the values of more than 11,000 organization employees in 46 countries. Smith et al. (1996) used multidimensional scaling to identify two reliable country-level dimensions within the Trompenaars databank. The first of these was named *egalitarian commitment versus conservatism* following Schwartz’s earlier use of these terms. Those favoring egalitarian commitment endorse abstract principles of

what is right and just and believe that jobs should be filled on the basis of impersonal criteria such as qualifications. Those favoring conservatism prefer their immediate circle to outsiders. This includes values such as loyalty to one's boss and job appointments based on connections or family relationships. The second dimension was defined as *utilitarian involvement versus loyal involvement*. This contrasts involvement in the organization that is contingent on meeting one's individual goals with involvement that is based on a long-lasting identification with the organization's goals as one's own. These two dimensions incorporate several that proved closely correlated with one another from among the larger number of dimensions proposed by Trompenaars. Trompenaars himself continues to distinguish seven dimensions of cultural variation, but the remaining dimensions have not yet been reliably measured.

METHOD

MEASURES OF VALUES

The nation scores used are those reported by Hofstede (2001), Smith et al. (1996), and Schwartz and Ros (1995) (with additional unpublished means added). We used Hofstede scores for the East African, West African, and Arab regions for Uganda, Nigeria, and Lebanon, respectively. We used Schwartz means for schoolteachers, not students, employing his three main dimensions rather than the seven constituent value types.

THE EVENT MANAGEMENT QUESTIONNAIRE

A questionnaire was constructed to elicit managers' self-reports of the sources on which they drew in handling a series of widely occurring work events. Choice of the specific events was constrained by the need to identify those that could be expected to occur within the work of a manager in almost any organization within any nation. Eight such events were identified. Some were selected to focus on a manager's subordinate work team, whereas others refer to relations with the wider organization. Pilot work and consultation with collaborators indicated that each event did occur often within work organizations in all countries. The events were (a) when a vacancy arises that requires appointment of a new subordinate in your department, (b) when one of your subordinates does consistently good work, (c) when one of your subordinates does consistently poor work, (d) when some of the equipment or machinery in your department seems to need replacement, (e) when another department does not provide the resources or support you require, (f) when there are differing opinions within your department, (g) when you see the need to introduce new work procedures into your department, and (h) when the time comes to evaluate the success of new work procedures.

In relation to each event, respondents were asked to rate on 5-point scales "to what extent the actions taken are affected by each of the following. . . ." This phrasing avoided the active voice, as would be implied by asking how much the manager *uses* each source. By doing so, we would have assumed the centrality of managerial leadership (Peterson & Smith, 2000). Instead, the passive voice was used, eliciting ratings of how the actions taken *are affected by* each source. This phrasing implies that other sources may be equally as active as the responding manager in determining how events are handled. The use of separate ratings for each source of guidance operationalized our assumption that sources are not mutually exclusive and that handling many events requires drawing on several.

The eight sources of guidance were listed in turn and described as follows: (a) formal rules and procedures, (b) unwritten rules as to “how things are usually done around here,” (c) my subordinates, (d) specialists outside my department, (e) other people at my level, (f) my superior, (g) opinions based on my own experience and training, and (h) beliefs that are widely accepted in my country as to what is right. Response categories were anchored by phrases ranging from *to a very great extent* to *not at all*. The sources of guidance provided were intended to span those most frequently available to a manager. Respondents also reported whether they had faced each event in recent months. If they had not, their responses for that event were excluded from analysis. The percentage of respondents who had not faced particular events within the total sample ranged between 2.8 for introducing new procedures and 9.0 for appointing a new subordinate. Respondents also provided demographic information.

TRANSLATION AND SAMPLING

The questionnaire was created in English and translated by competent bilinguals who were either our research collaborators or were supervised by them. Our collaborators were experienced researchers in management or organizational psychology. Translations were required into Arabic, Bahasa Indonesia, Bulgarian, Czech, Danish, Dutch, Farsi, Finnish, French, German, Greek, Hebrew, Hungarian, Italian, Japanese, Korean, Mandarin Chinese, Norwegian, Polish, Portuguese, Romanian, Slovak, Spanish (Castilian and Latin American versions), Swedish, Tagalog, Thai, and Turkish. Checks on translation accuracy were completed by back translation or parallel translations with subsequent correction when necessary.

The questionnaire was distributed to samples of middle managers in 53 nations from all regions of the world. The data analyzed here were drawn from the 47 nations for which there were also data from one or more of the values studies. We used the English version in 15 countries, Spanish in 5, German in 2, and Portuguese in 2. Europe is overrepresented with 19 nations included. Most multiple-country studies have used diverse samples without reporting or correcting for sample uniqueness. We sought a broad sample of around 100 middle managers from each country and collected detailed demographic details about them. Most were managers in training programs. Restriction of the samples to middle managers limits the organizational-level effects known to influence work values (Hofstede, 2001).

The possibility of matching the industries sampled is limited by the restricted representation of industry sectors within smaller, less developed countries. The meaning given to employment in a particular industry also varies across countries. For example, government employment is more highly esteemed in Japan than in most Western countries. Less skilled work, such as food processing, has lower status in a more developed than in a less developed country, even where the employer is the same multinational (Austin, 1990). Although industry matching might equate type of work done, it would not necessarily match respondents' socioeconomic standing within the nations studied. Details of all nations sampled are provided in Table 1, indicating those included in the present analysis.

Actual sample sizes varied between 38 and 334 (median = 103). The samples for Slovakia, Spain, Malaysia, and the Philippines were small; but in country-level analyses, there are substantial benefits from adding further data points, even with sampling weaknesses in a few. Each sample included middle-level managers from a variety of organizations, industries, and departments, some in private and some in public ownership. We

TABLE 1
Samples Included

<i>Country</i>	<i>n</i>	<i>Values Data Available</i>
Argentina	161	H, S, T
Australia	185	H, S, T
Austria	129	H, S, T
Belarus	334	—
Brazil	118	H, S, T
Bulgaria	164	S, T
Chile	110	H, S
China	120	S, T
Colombia	96	H
Czech Republic	73	S, T
Denmark	110	H, S, T
Finland	119	H, S, T
France	258	H, S, T
Germany	176	H, S, T
Greece	103	H, S, T
Hong Kong	84	H, S, T
Hungary	101	S, T
Iceland	52	—
India	99	H, S, T
Indonesia	109	H, S, T
Iran	99	H
Israel	150	H, S
Italy	130	H, S, T
Jamaica	91	H
Japan	96	H, S, T
Kenya	60	—
Korea	297	H, T
Lebanon	133	H
Macao	65	—
Malaysia	40	H, S
Mexico	300	H, S, T
Netherlands	112	H, S, T
New Zealand	96	H, S
Nigeria	288	H, S, T
Norway	92	H, S, T
Pakistan	96	H, T
Philippines	38	H, S, T
Poland	110	S, T
Portugal	221	H, S, T
Romania	83	T
Singapore	101	H, S, T
Slovakia	38	S
South Africa	251	H
Spain	43	H, S, T
Sweden	106	H, S, T
Tanzania	61	—
Thailand	152	H, S, T
Turkey	63	H, S, T
Uganda	330	H, S
Ukraine	108	—
United Kingdom	142	H, S, T
United States	342	H, S, T
Zimbabwe	56	H, S

NOTE: H = Hofstede; S = Schwartz; T = Trompenaars. For full definitions of these categories, see the Hofstede Dimensions section, the Schwartz Culture-Level Dimensions section, and the Trompenaars Databank section in this article.

recorded age, gender, organization size, type of ownership, the organization's main task, and the departmental task of the respondent as potential statistical controls. Some demographics (e.g., ethnicity and religion) covary closely with nation and are best considered as sample characteristics rather than used as statistical controls. Distinctive subcultural representation was as follows: Two thirds of the Nigerians were Yorubas. Two thirds of the Spaniards were Basques. The Indians were from Bihar. The Japanese were from Hokkaido. The Chinese were from the Shanghai-Hangzhou region. Two thirds of the South Africans were White. The Singaporeans were virtually all ethnically Chinese, whereas the Malaysians were almost all Malay. The Swedes were from southern Sweden. The U.S. respondents were disproportionately from the southwest but were predominantly Caucasian. Eighty-three percent of the Lebanese were Christian.

DATA ANALYSIS

Individual-level reliabilities were noted for each country's data set for each source of meaning across events. Of the 376 values of Cronbach's alpha, 365 were greater than .7, and just 3 were less than .6. Mean scores for reliance on each source were therefore computed across all eight events (or a lesser number of events in the instances in which a respondent had not experienced a particular event).

It was next necessary to maximize the comparability of the samples from each nation. A substantial problem in cross-cultural studies is that response bias is likely to vary by nation both as a consequence of norms about responding positively and due to subtle differences in translation of response alternatives. Hence, comparison of raw means is likely to produce spurious differences. Bias in scale use was eliminated by computing an overall mean score for each nation of the 64 item means provided by each respondent (8 events \times 8 sources of meaning). There is no substantive reason why these overall means should vary across individuals or across nations. They therefore give an estimate of differences in how rating scales are used within each national sample. Some critics have proposed that variations in response bias are also indicative of cultural differences. However, variance due to differences in response bias in the present samples is very much greater than the demographic variance discussed below, and we consider it important to estimate it and discount it. Each of the respondents' eight guidance source scores was standardized relative to its overall mean.

We next estimated variance in dependent variables attributable to demographic factors. This was done initially by computing individual-level correlations between demographic attributes and reliance on each source within the total sample (not shown). Thirteen of the 17 demographic variables showed significant correlations with one or more of the dependent variables ($p < .001$), namely, gender; age; organization size; state ownership; multinational ownership; private ownership; working in an organization that provides a service; and working in sales, personnel, finance, and general management. The number of demographic variables significantly linked with reliance on any one source of guidance ranged from 2 to 7. The effects of these variables at the individual level were then discounted using a separate analysis of covariance for each source of guidance. For each source, demographic variables up to a maximum of 4 that showed the strongest relation to reliance on that source were used as covariates. In the two instances (reliance on formal rules and on subordinates) in which a greater number of significant relations with demographic variables had been found, those showing the weakest relations were omitted to reduce the risk of multicollinearity. It is unsurprising that different covariates were salient for each source. For instance, state

ownership was the strongest predictor for reliance on formal rules, but it was a significant predictor of reliance for only two of the other seven sources.

Because our analyses are at the country level, the individual-level adjusted means for guidance sources were then aggregated to the country level. Despite individual-level adjustments, there are several ways in which country level means are likely to vary. Whether these are to be thought of as errors to be partialled out is open to debate, depending on the way one chooses to conceptualize culture. If Hofstede's (1994) definition of culture as the "collective programming of the mind" is taken as implying a homogeneous process affecting all segments of a culture, then demographic variance must be considered as error variance. However, if culture is also defined as including variations in the frequencies of behavior and the structuring and distribution of social roles, then variations of this type should not be discounted. In this instance, 4 country-level correlations out of the 136 between the 17 demographic indicators and the 8 guidance sources were significant at $p < .01$, a little above the level to be expected by chance. These 4 correlations therefore require scrutiny to determine whether the demographic effects they represent should be discounted. Two of these correlations involved mean age despite prior control for age differences at the individual level. This variance was not discounted because the fact that managers achieve seniority more rapidly in developing nations than in more developed economies is considered an integral expression of the culture. Mean age in these samples correlated at .39 ($p < .01$) with 1995 gross domestic product per capita. The 2 other significant correlations concerned the percentage of general managers in the samples. It could be argued that this confound should be controlled. However, whether or not it is controlled makes no difference to the results obtained (see below).

Table 2 gives the country-level raw means, standard deviations, and reliabilities for each source along with correlations between the adjusted means for each source. All sources but one show a significant correlation with at least one other source. However, factor analysis did not indicate a sufficiently clear structure on which to base consolidation of the available measures. On the basis of the correlations in Table 2, an index combining four of the sources was constructed. The Verticality index combined reliance on formal rules and on one's superior with reliance on one's own experience (reversed) and on one's subordinates (reversed) (Cronbach's $\alpha = .69$). The four remaining sources were treated as separate indices.

RESULTS

The present sample of 47 countries overlapped with 40 sampled by Hofstede, 35 sampled by Trompenaars, and 39 sampled by Schwartz. Because the intention of this study was not to compare the predictive validity of the prior studies but to gain the best possible single estimate of values, the SPSS Missing Value Analysis command was employed to fill the empty cells. This was accomplished by using all the data that were available for each country on the nine value dimensions identified by Hofstede, Schwartz, and Trompenaars. Table 3 shows product moment correlations between scores from the values studies after this procedure had been completed. The numerous significant correlations indicate convergence in results from the prior investigations. The table also presents correlations with the culture mean score used to estimate response bias. This score correlated significantly with five of the nine value dimensions derived from Hofstede, Trompenaars, and Schwartz (column 1). Because these investigators took steps to eliminate response bias, this suggests that bias does covary with certain value emphases. The strongest correlation is with power distance, which is plausible

TABLE 2
Means and Reliabilities for Guidance Sources,
With Correlations Between Adjusted Means

	M	SD	Alpha	1	2	3	4	5	6	7
1. Formal rules	3.31	0.33	.95	—						
2. Unwritten rules	3.02	0.29	.97	.13	—					
3. Subordinates	2.94	0.31	.96	-.55***	-.11	—				
4. Specialists	2.58	0.22	.93	-.29*	-.27	.30*	—			
5. Coworkers	2.77	0.26	.96	-.35*	-.13	.32*	.36*	—		
6. Superior	3.45	0.27	.94	.36*	.18	-.38**	-.15	.01	—	
7. Own experience	3.74	0.23	.94	-.44**	-.02	.47***	.28	.10	.09	—
8. Widespread beliefs	2.61	0.41	.99	.37**	.13	-.26	-.18	-.13	-.12	-.46***

NOTE: $N = 47$.

* $p < .05$. ** $p < .01$. *** $p < .001$.

given that in hierarchical cultures, respondents would in general respond to questionnaires in a more acquiescent manner.

Table 4 presents the culture means and the indices representing reliance on the various sources of guidance. For possible reference by future researchers, scores have been included for the six additional nations from which data were obtained but for which no values data were available. The substantial range in reported culture means illustrates the importance of controlling for this source of culture-level variance. The effect on the results of controlling for bias is discussed below.

Table 5 gives correlations between the nine value measures and the guidance sources. Significant links are observed between eight of the nine value measures and the index reflecting reliance on vertical sources of guidance. Reliance on vertical sources is associated with embeddedness, hierarchy, power distance, mastery, collectivism, masculinity, conservatism, and loyal involvement. Reliance on widespread beliefs shows significant but weaker relations with five of the same values measures, namely, hierarchy, power distance, conservatism, collectivism, and embeddedness. Reliance on unwritten rules is strongly associated with loyal involvement, whereas reliance on specialists shows significant links with utilitarian involvement and harmony. Reliance on coworkers is unrelated to any of the value measures.

The validity of these results rests on the assumption that it is appropriate to use the culture mean to discount acquiescence bias. If the variance discounted in this way is in fact primarily substantive rather than artifactual, then it would be better to compute correlations without discounting the culture mean. Correlations computed in this way should show enhanced relationship between reliance on the superior values such as power distance and related values and attenuation of all the other correlations reported in Table 5. In fact, when the correlations are recomputed without controlling for the culture mean, there are consistent substantial increases in the correlations of power distance, loyal involvement and hierarchy with reliance on *all* the sources of guidance. The average increase is .33 for power distance, .20 for loyal involvement, and .17 for hierarchy. Moreover, averaged correlations between all sources and the remaining values decrease (individualism, $-.20$; autonomy, $-.17$; egalitarian commitment, $-.12$; harmony, $-.10$). These effects are most readily interpretable in terms of the presence of global response bias.

TABLE 3
Correlations Between Value Dimensions After Missing Value Analysis

	1	2	3	4	5	6	7	8	9
1. Culture mean	—								
2. Individualism-collectivism	-.43**	—							
3. Power distance	.49**	-.67***	—						
4. Uncertainty avoidance	-.05	-.18	.06	—					
5. Masculinity-femininity	-.12	-.06	.20	.13	—				
6. Egalitarian commitment-conservatism	-.11	.61***	-.25	-.13	-.06	—			
7. Loyal involvement-utilitarian involvement	.35*	-.59**	.74***	.03	.41**	-.03	—		
8. Harmony-mastery	-.24	.30	-.29*	.27	-.27	.18	-.27	—	
9. Egalitarianism-hierarchy	-.37**	.50***	-.41**	.29*	-.21	.56***	-.25	.65***	—
10. Autonomy-embeddedness	-.39**	.64***	-.52***	.23	-.07	.52***	-.35	.39**	.62***

NOTE: $N = 47$.* $p < .05$. ** $p < .01$. *** $p < .001$.

It was also noted above that in two instances, significant relations were found between reliance on a particular source and the frequency of general managers in a nation's sample. When partial correlations were computed controlling for this confound, the pattern of significant and nonsignificant relations was unchanged.

To obtain the best estimate of the values that could explain variance in the instances in which we found significant effects, we used forward entry regression analyses. The value dimensions accounted for 46% of variance in the Verticality index. Two values measures contributed significantly to the regression equation: Hofstede's power distance ($\beta = .50$, $p = .001$) and Schwartz's mastery ($\beta = .34$, $p < .01$). Two measures contributed to explaining 24% of variance in reliance on widespread beliefs, namely, Smith et al.'s (1996) conservatism ($\beta = .34$, $p < .05$) and Hofstede's power distance ($\beta = .27$, $p < .05$). Smith et al.'s loyal involvement explained 19% of variance in reliance on unwritten rules ($\beta = .44$, $p < .01$), whereas their utilitarian involvement accounted for 10% of the variance in reliance on specialists ($\beta = .32$, $p < .05$).

DISCUSSION

We have explored the way emphases on particular cultural values within nations are reflected in the sources of guidance that managers employ in handling a set of work events. The results provide strong evidence that values do predict reliance on those sources of guidance that contributed to the Verticality index. Evidence in relation to the other sources of guidance was weaker, and in the case of lateral relationships, absent. We consider the results for our five source measures in turn.

VERTICALITY

Many of the implications that are drawn from international studies of values are based on untested or incompletely tested beliefs about the ways in which values affect the processes and practices by which organizations are controlled. Three of the four sources that our

TABLE 4
Culture Means and Adjusted Means for Sources

Country	Culture Mean	Vertical Sources	Guidance Sources			
			Unwritten Rules	Specialists	Coworkers	Beliefs That Are Widespread in My Nation
Argentina	2.95	-3.7	3	-35	-5	-46
Australia	2.89	9.5	7	-54	-35	-61
Austria	2.75	-17.0	-3	-29	-42	-71
Belarus	2.89	-1.5	-15	-34	-30	-32
Brazil	3.07	1.0	1	-31	-36	-56
Bulgaria	3.15	12.2	-9	-70	-45	1
Chile	3.26	10.0	-11	-62	-20	-22
China	2.88	12.0	-9	-32	-26	16
Colombia	2.96	-17.0	-7	-34	-16	-28
Czech Republic	2.87	-16.7	-33	-28	-40	-68
Denmark	2.90	-39.0	-4	-56	-31	-51
Finland	2.98	-40.7	7	-39	-20	-68
France	3.03	-8.0	18	-57	-30	-78
Germany	2.91	-28.2	-29	-25	-40	-79
Greece	3.15	7.7	4	-69	-39	-47
Hong Kong	3.07	19.0	17	-82	-47	-39
Hungary	3.10	-35.0	-30	-4	27	-140
Iceland	2.91	-14.7	0	-57	1	-69
India	3.41	5.7	2	-61	-17	-12
Indonesia	3.15	24.7	6	-56	-53	-8
Iran	3.39	15.5	8	-50	-23	8
Israel	3.18	-6.7	26	-71	-27	-87
Italy	2.78	-10.5	-20	-22	-18	-60
Jamaica	3.00	20.2	-19	-76	-58	-78
Japan	3.10	7.7	-18	-57	-21	-38
Kenya	3.20	29.7	-41	-36	-15	-65
Korea	3.25	16.2	28	-53	-43	-11
Lebanon	3.40	6.0	-36	-66	-63	-87
Macao	2.95	2.5	13	-56	-29	-42
Malaysia	3.25	22.5	-1	-55	-28	-20
Mexico	3.09	18.2	-3	-21	-33	-26
Netherlands	3.05	-33.7	5	-49	-37	-40
New Zealand	2.99	-3.5	0	-68	-13	-62
Nigeria	3.52	15.0	-11	-25	-14	-27
Norway	3.13	-15.5	-23	-57	-4	-29
Pakistan	3.18	17.5	2	-46	-32	-44
Philippines	3.32	18.7	31	-59	-52	-14
Poland	3.26	15.2	-53	-48	-50	-66
Portugal	2.85	5.0	24	-41	-47	-115
Romania	2.84	2.7	-38	-39	-40	-2
Singapore	3.20	0.7	26	-55	-40	-20
Slovakia	2.95	-6.5	19	-26	-30	-40
South Africa	3.03	9.7	-9	-47	-20	-51
Spain	3.08	13.2	-2	-44	-23	-46
Sweden	3.05	-7.0	-24	-38	-44	-39
Tanzania	3.23	13.7	-49	-34	-12	-63
Thailand	3.59	-8.2	-44	-52	-16	-14
Turkey	2.95	16.5	11	-78	-17	-49

(continued)

TABLE 4 Continued

Country	Culture Mean	Vertical Sources	Guidance Sources			
			Unwritten Rules	Specialists	Coworkers	Beliefs That Are Widespread in My Nation
Uganda	3.07	32.0	-22	-32	-1	-70
Ukraine	2.88	5.7	-21	-37	-14	-62
United Kingdom	2.77	-8.2	-10	-56	-31	-63
United States	3.09	5.2	-9	-66	-28	-51
Zimbabwe	2.79	22.5	-8	-67	-35	-57
<i>M</i>	3.07	1.4	-8	-49	-28	-49
<i>SD</i>	0.19	17.4	21	17	17	30

NOTE: For ease of reading, guidance source means have been multiplied by 100. Means for verticality sources include decimal points because they are the product of four sources.

respondents reported to be most frequently employed contributed to the Verticality index. Clearly, these are central aspects of the day-to-day work of middle managers, and our amalgam of cultural value measures proved well able to predict national variation between more hierarchical and more participative ways of handling work events. This finding across a broad range of cultures is reassuring, but it will surprise few. Of greater interest is the specific combination of values that provided the most significant contribution to explained variance.

In the present sample, the nations in which the participatively oriented guidance sources are most employed are those characterized not only by high individualism but equally by cultural autonomy, egalitarianism, low power distance, harmony, and femininity. These are more typically the nations of Western Europe rather than North America. Conversely, reliance on superiors and rules is associated not only with collectivism but with cultural embeddedness, hierarchy, power distance, mastery, and masculinity. Most of the nations of Africa are especially high on these cultural dimensions, rather than the Asian nations more typically discussed as exemplars of contrasting management practices. The regression equation indicates that power distance and mastery provide the most concise estimate of the country-level correlates of reliance on hierarchical sources. Thus, our understanding of the frequently employed cultural contrast between hierarchy and participation can be enriched by employing a fuller range of value dimensions.

WIDESPREAD BELIEFS

Reliance on "beliefs that are widespread in my nation as to what is right" was one of the least frequently reported of the eight sources of guidance sampled within the present survey. A more modest 24% of the variance was accounted for by Smith et al.'s (1996) conservatism measure and Hofstede's power distance. As Table 4 indicates, variance across nations in scores on this measure was greater than it was for the other indices. Evidently, the effects found are attributable to the fact that widespread beliefs have high salience in nations such as China, Bulgaria, and Romania but are emphatically discounted in others, particularly Hungary and Portugal. Interestingly, these nations have all relatively recently experienced a prolonged period of state enterprise, with the latter group having moved away from this pattern much more rapidly than the former group. As Table 3 indicates, the conservatism measure showed substantial relationships with embeddedness and power distance. However,

TABLE 5
Correlations Between Values and Guidance Sources

	<i>Vertical Sources</i>	<i>Guidance Sources</i>			
		<i>Specialists</i>	<i>Coworkers</i>	<i>Unwritten Rules</i>	<i>Beliefs That Are Widespread in My Nation</i>
Individualism-collectivism	-.54***	-.04	.13	-.20	-.36*
Power distance	.60***	-.13	-.14	.27	.36*
Uncertainty avoidance	.00	.18	.16	.10	-.15
Masculinity-femininity	.30*	-.06	-.08	.12	-.02
Egalitarian commitment- conservatism	-.37**	-.11	.01	.01	-.41**
Loyal involvement-utilitarian involvement	.48***	-.32*	-.19	.44**	.23
Harmony-mastery	-.49**	.29*	.12	-.11	-.19
Egalitarianism-hierarchy	-.54***	.21	.01	.09	-.36*
Autonomy-embeddedness	-.59***	.12	.06	-.02	-.33*

NOTE: $N = 47$.

* $p < .05$. ** $p < .01$. *** $p < .001$.

conservatism proved the stronger predictor of reliance on widespread beliefs. Smith et al. showed that items loading on this dimension reflected endorsement of paternalism, and it may be acceptance/rejection of this aspect that differentiates the nations scoring particularly high and low from other nations that have much state enterprise.

UNWRITTEN RULES

The values measures accounted for 19% of variance in reliance on unwritten rules. In this case, the strongest predictor was Smith et al.'s (1996) loyal involvement. In their analysis of Trompenaars' data, Smith et al. indicated that the items that loaded most heavily on the measure of loyal involvement refer to loyalty to one's work team and to one's organization, rather than making any specific reference to one's superiors. These values thus appear to tap a generalized endorsement of commitment to the organization, as contrasted with an individualistic calculation of one's own benefits.

Unwritten rules will be important in organizations where informal agreements have emerged from long-established interactions between organization members. They express a local wisdom distilled from continuing dialogue among those who have worked together undisturbed for a long time. In this context, reference to superiors would be unnecessary because there would be a shared understanding of what is desirable.

Loyal involvement clearly involves a substantial commitment to one's organization. Although there are now extensive U.S. research literatures concerning organization commitment and organizational citizenship behavior (OCB), much remains to be done in exploring the application of these concepts in other cultures. It may be necessary to formulate measures in ways that come closer to Trompenaars' loyal involvement values. U.S. theorists have formulated commitment and citizenship in terms of behaviors that extend beyond one's contractual obligation to the organization. However, in nations such as those shown in Table 4 as scoring highest for reliance on unwritten rules (Israel, Korea, and the Philippines), where more collective values prevail, commitment is likely to be more contextualized and less

calculative. For instance, Pearson and Chong (1997) showed that Confucian work values and feedback from others were more important contributors to job satisfaction and organization commitment of Malaysian nurses than were immediate job content factors. Similarly, Farh, Earley, and Lin (1997) have shown how a measure of OCB required reformulation before use in Taiwan. Lam, Hui, and Law (1999) showed that some of the “good citizen” behaviors identified as *additional* to one’s role by U.S. OCB researchers were perceived as *inherent* to one’s commitment to the organization in Japan and Hong Kong.

SPECIALISTS

It is self-evident that reliance on specialists in different nations will vary, both in terms of the types of specialists thought likely to be of use and in terms of the financial resources that are available to call on their services. It is therefore not particularly surprising that only a modest amount of variance in reliance on specialists proved explicable in terms of values. As was the case with reliance on unwritten rules, the Trompenaars dimension contrasting utilitarian with loyal involvement provided the strongest predictor. The questionnaire described specialists as “outside my department,” thereby giving some suggestion as to the affiliation of the specialist in question. It appears that outsiders are mostly likely to be hired where utilitarian values prevail. The question of insider versus outsider status may also be important in the instance of reliance on the remaining source of guidance.

LATERAL RELATIONSHIPS

Paradoxically, it may be the results that achieved least statistical significance in this study that are of greatest interest. Not all interpersonal interactions in organizations are simply a matter of greater or lesser degrees of hierarchy. The fact that reliance on lateral sources of guidance is less predictable on the basis of cultural values points to the need for additional modes of explanation. One possibility, beyond the scope of the current article, is to search for new cultural dimensions of values to serve as predictors. Another possibility is to consider other aspects of culture as predictors. For example, widely shared beliefs in given societies may mediate between cultural values and the enactment of specific behaviors (Leung et al., in press). A third possibility, implied in our earlier discussion, is to take greater account of context in seeking to understand the relations of cultural values to managers’ reliance on lateral sources of guidance.

We suggested earlier that the distinction between role obligations to in-group and out-group members is defined more sharply in some cultures than in others. Moreover, the boundaries may be drawn differently. For instance, Japanese organizations appear to favor a more inclusive boundary than do Chinese family businesses (Redding, Norman, & Schlander, 1994). This might explain the failure of any cultural values to predict reliance on lateral sources. Coworkers are probably perceived as in-group members in some cultures but out-group members in others. Where they are perceived as in-group members, greater reliance on lateral sources might be associated with the cultural values of embeddedness and collectivism; whereas when they are seen as out-group members, reliance on lateral sources might be associated with egalitarianism and with low power distance and hierarchy. Thus, by taking account of relevant contextual factors, cultural values might be linked also to reliance on lateral sources.

LIMITATIONS

The eight sources of guidance selected for study were those that are driven by the basic nature of formal work organizations. To the extent that formal work organizations are a Western innovation that has spread globally, our choice to study them rather than primary groups such as families as economic units reflects a Western bias. Formal organizations cover only a modest proportion of the economic process in many countries. Family members would probably have proved an important source of guidance in some countries, as trade unions might have in others. Despite the emphasis chosen here, it is not necessarily best to reduce organizational process to concepts that can be studied in the same way everywhere. Some sources and events, perhaps even some of the most critical, may be restricted to specific regions.

This study relied on substantially different sampling techniques compared to the matched samples used by Hofstede and Schwartz. In this context, the weakness of the project's rather modest level of sample equivalence can be construed as a strength for the field of comparative organizational research. Samples from some nations were also smaller than desired. Despite the fact that the samples from different countries varied demographically and did not come from identical geographic areas to those studied by others, consistent relationships were found with predictors derived from studies with better sampling control. This implies that the culture-level value differences detected by researchers, some surveying business employees and others teachers, must be relatively stable and widely spread within the countries sampled.

IMPLICATIONS FOR PRACTICE

Country-level dimensions of cultural values are frequently employed in management programs concerning cultural awareness. The dimensions identified by Hofstede and by Trompenaars often form the basis of training institutes and of extensive in-company interventions. At the same time, recent critics have argued that culture-level characterizations are a distraction from the more important goal of understanding individual-level variability in behavior (Bond, *in press*). Invalid extrapolations from poorly validated culture-level dimensions are made not just by practitioners but also by leading theorists (MacSweeney, *in press*).

This study can contribute to this debate in several ways. First, it has shown substantial convergent validity among the three values studies. Second, it has shown that values can predict substantial variance in use of some of the most widespread sources of guidance, which together comprise the Verticality index. However, these linkages are best explored by escaping from the simple polarity of individualism-collectivism and the confusion caused by the growing range of different definitions of that concept (Kim, Triandis, Kagitçibasi, Choi, & Yoon, 1994; Oyserman, Coon, & Kemmelmeier, *in press*). Value dimensions have less predictive validity in relation to the other sources of guidance.

So what is the practical value of these culture-level guidance source profiles? We see three types of application. First, there is a continuing need for cultural awareness programs for those involved in any type of multinational enterprise. Care must be taken in mounting such programs to convey the probabilistic nature of culture-level characterizations. Guidance source profiles are more contextualized than value profiles and can therefore better sensitize individuals to likely ways of understanding the events they encounter. Second, these results have heuristic implications: They point to aspects of organizational processes that are currently inadequately explored. It comes as no surprise that these blind spots are those that are

more salient in some non-Western nations: lateral relationships and reliance on tacit norms and on widespread beliefs. As Table 4 indicates, the United States, the source of much management theory, scores below average on all three indices addressing these aspects of organizational process. Improved coverage of these issues could of course just as likely come from a U.S. investigation as elsewhere: What this study does is underline the relative weakness of our current understanding of these areas. Recent studies of *guanxi* relationships, both in China and in the United States, provide one illustration of promising attempts to improve our understanding of lateral relationships (Farh, Tsui, Xin, & Cheng, 1998).

Finally, the guidance source profiles have potential application in the planning and conduct of international joint ventures and multicultural teams. Researchers into the success of particular joint-venture partnerships have frequently based their predictions on an index derived from partners' similarity on the Hofstede dimensions (Kogut & Singh, 1988). The current indices provide profiles that are more recent and more directly related to actual managerial contexts. Joint ventures comprise many individuals, and extrapolation from country profiles is therefore more defensible than it would be in the case of small numbers of individuals. Attempting to compose specific teams from country profiles would be a much more uncertain enterprise. In all events, multicultural teams are most typically composed on the basis of organizational priorities. A better role for country profiles would be in seeking illumination of problems that arise consistently in teams with a particular multicultural profile.

CONCLUSION

This investigation has sought to extend the basis for cross-cultural comparisons concerning organizational employees from the current strong emphasis on values to include more contextualized aspects of managerial experience. We have argued that increased sample size is crucial to the drawing of valid, culture-level conclusions and have made progress in this direction by pooling prior values studies using missing value analysis. It is evident that there are both consistencies and lacunae in the links between cultural values and how managers handle work events. Individual-level and culture-level perspectives can be used to address different aspects of management tasks, and individual-level analyses of the present databank will be presented in subsequent publications.

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